

EXHIBIT 1

Proposed Parameters for First Mortgage Loan for RENEW Howard

1. Eligible borrowers will be those who are purchasing a single family attached or detached home, which is at least 30 years old, has a current assessed value below \$400,000, and the current list price is less than 110% of the current assessment. The borrower must intend to occupy the property as their primary residence. At no time can the property be used as a rental property. Homes may include properties in foreclosure or being sold as a short sale.
2. There is no maximum income limit and no first time homebuyer requirement for participants in this program. Borrowers must have a minimum 620 credit score. Borrower is responsible for the upfront cost of a credit report if one cannot be provided at no cost.
3. Borrowers will ultimately be underwritten and approved by [Participating Lender] pursuant to the [Participating Lender's] standard guidelines. Similarly, income ratios must meet the [Participating Lender's] guidelines.
4. Maximum aggregate loan amount secured by the property shall not exceed 110% of after-rehabilitation loan to value, as established by appraisal. Loans to borrowers will be limited to a maximum loan amount of \$475,000. There will be no private mortgage insurance required.
5. Borrower shall contribute 3% of the purchase price from their own funds. Gifts may be counted toward meeting this requirement; however, government or philanthropic grants and settlement expense loans will not count toward meeting the 3% requirement.
6. Rehabilitation terms will be six (6) to twelve (12) months, or longer, if mutually agreeable to [Participating Lender] and the borrower. Maximum permanent loan term is 30 years.
7. The program discounted permanent interest rate will be 1% below the prevailing Fannie Mae fixed mortgage rate. The interest rate will be locked in when the home rehabilitation and rehabilitation term are complete.
8. The loans will constitute a first mortgage on the property payable in fixed monthly payments. The borrower will make interest payments on funds advanced during the rehabilitation period. Upon completion of the work and distribution of all loan proceeds, the loan must be refinanced and borrower's payments will consist of principal, interest and escrow payments for property taxes and hazard insurance.
9. Borrower will pay no more than 2 points as a loan origination fee to [Participating Lender] plus all customary loan closing costs. These fees and closing costs may be included in the loan if borrower has met the 3% requirement and loan amount does not exceed maximum program loan to value.
10. Borrowers must agree to make repairs/improvements equal to at least 10% of the acquisition price including exterior improvements. A minimum of \$5,000 must be expended on exterior improvements.

11. For any loans available under the terms of this Loan Pool, borrowers will hire a licensed, insured general contractor. [Participating Lender] will be able to provide borrower with a list of licensed, insured general contractors. A contract between borrower/s and contractor, including scope of work and rehabilitation costs, must be approved by [Participating Lender] prior to formal loan application with [Participating Lender] and the contract should specify that it is contingent upon borrower obtaining sufficient financing for the scope of work. Improvements will be completed in full by the general contractor unless a waiver is provided by [Participating Lender] upon borrowers' request to self-manage a series of licensed subcontractors to complete specific tasks. Based upon the complexity of the work and the experience of the homeowner, [Participating Lender] in its sole discretion may reject a homeowner's request to self-manage a series of subcontractors.
12. Upon loan settlement, the [Participating Lender] will advance the lesser of 20% of the rehabilitation cost or \$8,000. The remainder of the rehabilitation portion of the loan will be held for disbursement by the [Participating Lender] and funds will be released during rehabilitation upon satisfactory inspection of the work in place by [Participating Lender's] approved construction inspector. Customary loan inspection fees will be charged.
13. If Borrower fails to begin rehabilitation within the required rehabilitation term, the loan must be refinanced to the permanent mortgage at the non-discounted prevailing 60 day Fannie Mae Rate and underwritten by the [Participating Lender] without rehabilitation. The unused funds may be frozen and the permanent loan amount will equal the amount disbursed.
14. If Borrower begins rehabilitation, but is unable to complete the work within the required rehabilitation term, the term may be modified and extended. An extension fee may be charged. Upon completion, the loan must be refinanced to a permanent mortgage at 1% below the prevailing Fannie Mae Rate.
15. The borrower agrees that any payment delinquency or default may be reported by the [Participating Lender] to the Administrator, the County and to any credit reporting agency.